GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:456
ANSWERED ON:04.03.2002
LOWER COST OF AGRICULTURTAL PRODUCE
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Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government propose to lower the production cost of agricultural produce to face the challenges of WTO in agriculture sector;

(b) if so, the steps taken/proposed to be taken in this regard;

(c) whether special attention would be paid to the prices and quality of implements and seeds available to the farmers;

(d) whether the loss being accurred to the farmers due to supply of sub-standard seeds and fertilizers would be compensated; and

(e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a)&(b): The cost of production can be reduced inter-alia through increase in production and productivity of crops. The Government is conscious about it and have taken steps to achieve this. The Government have launched various new initiatives such as watershed development programmes, emphasis on developing and promoting new technologies, measures for increasing availability of agricultural credit, credit linked subsidy scheme for augmenting storage/cold storage capacity, Technology Mission for Integrated Development of Horticulture in North-Eastern States, Market Information Network and National Agriculture Insurance Scheme etc. Besides, the Government also encourages farmers to increase production through price policy which include implementation of Minimum Support Price and Market Intervention Schemes, procurement by public agencies and using instruments of trade.

(c)to(e): There is no statutory control on the prices of agricultural implements and machines and these are controlled by the market forces. Similarly, there is no control on the prices of Seed. The price of seed is open to market forces and there is no restriction on its production and distribution.

In order to assess the quality and performance characteristics of agricultural implements and machines, the Govt. have set up Farm Machinery Training and Testing Institutes at 4 places. Further the Govt. have also prescribed Minimum Performance Standards for tractors and power tillers in order to make available quality machines to the farmers.

So far as seed quality is concerned, the Govt. Scheme relating to Strengthening of Seed Quality Control aims at strengthening of quality control arrangements for seeds in order to ensure that farmers get good quality seeds. The Seeds Act 1966 regulates the quality of seeds sold/distributed to the farmers through voluntary certification and compulsory labelling of seeds of notified kinds/varieties. Adequate provisions are available for taking punitive action against suppliers of substandard seeds.

To ensure adequate availability of fertilizers of standard quality to farmers, the Government have promulgated the Fertilizer Control Order (FCO) under Section 3 of the Essential Commodities Act, 1955. This order provides inter-alia for sampling and analysis of fertilizer samples, setting up of Quality Control Laboratories and prohibiting the manufacture and sale of non-standard/spurious/adulterated fertilizers. Through regular checks on the quality of fertilizers, it is ensured that no sub-standard fertilizers are supplied to the farmers. Wherever sub-standard fertilizers are detected, penal action is taken against suppliers/manufacturers/dealers of such fertilizers.